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ILLINOIS COMMERCE COMMISSION

STATE OF ILLINOIS

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COMMERCE COMMISSION

2004 MAY -6 P 1:09

ILLINOIS COMMERCE COMMISSION CHIEF CLERK'S OFFICE

In the Matter of:)
An Application of GLOBAL)
TELDATA, INC. ("Seller"))
and GLOBAL TELDATA II, LLC.)
("Purchaser") for authority)
to Sell and Purchase Seller's Assets)
and for Authority for Seller to Withdraw)
From the Resale of Telecommunications)
Services in the State of Illinois.)

Docket No. 04-0382

APPLICATION

Pursuant to Section 13-406 of the Illinois Public Utilities Act and Section 200.100 *et seq.* of the Commission's Rules of Practice, GLOBAL TELDATA, INC. (hereinafter "Seller") hereby respectfully seeks authority to sell, and GLOBAL TELDATA II, LLC., (hereinafter "Purchaser", jointly "the Parties") hereby respectfully seeks authority to acquire the Seller's name, customer base and other assets in the State of Illinois. The Parties both hold Certificates of Interexchange Service Authority to Operate as a Reseller of Telecommunications Services within the State of Illinois, therefore no transfer of certificate, permits or operative rights is sought in the instant Application. Seller requests cancellation of its Certificate of Authority and tariff upon final conveyance of such assets of Purchaser. The Parties request that the Application be acted upon expeditiously as the approval sought herein is a non-controversial acquisition between competitive, non-dominant interexchange carriers. In support of this Application, Seller and Purchaser state as follows:

1. Identify of Seller. Seller is an Illinois State-based corporation, having been certificated by this Commission in Docket No. _____ on _____, to operate as an interexchange telecommunications resale on interLATA telecommunications services within the State of Illinois. Seller is a purely competitive, non-dominant provider of interexchange telecommunication services provided over the networks of several underlying carriers, each duly certificated by this Commission to serve in the State of Illinois. Copies of Seller's Article of Incorporation and evidence of corporate qualification to transact business in the State of Illinois are contained within Seller's Application for Certificate of Interexchange Service Authority, on file with the Commission.

2. Identity of Purchase. Purchaser is an Illinois State-based corporation, certificated by this Commission to provide a variety of interexchange telecommunications services within the State of Illinois in Docket No. _____ on _____. Purchaser is a purely competitive, non-dominant provider of interexchange telecommunication services provided over the networks of several underlying carriers, each duly certificated by this Commission to serve in the State of Illinois. Purchaser currently provides Seller with several interexchange services. Copies of Purchaser's Articles of Incorporation and evidence of corporate qualification to transact business in the State of Illinois are contained within Purchaser's Application for Certificate of Interexchange Service Authority, on file with the Commission.

3. Correspondence and Communications. Questions, notices and all other communications regarding this Application should be addressed to Purchaser's Director, Industry Relations:

Mark Lieberman
GlobalTeldata II, LLC
4646 N. Ravenswood
Chicago, IL 60640
(773) 878-3161 x218

4. Description of Transaction. Seller and Purchaser entered into an Asset Purchase Agreement (hereinafter "Agreement"), effective April 1, 2003. Pursuant to the Agreement, Seller agreed to convey, and Purchaser agreed to acquire Seller's assets including its customer base in Illinois and elsewhere, for an amount specified in the Agreement and related documents. The effective date of the transfer of Seller's right in and to each subscriber's account in Illinois shall be the date on which this Application is approved by the Commission.

5. Interim Billing and Collection Arrangements. Subject to Commission approval of the instant Application, Seller and Purchaser have agreed that Seller's subscribers will be billed under the rates, terms and conditions of the Commission approved tariff for GLOBAL TELDATA, INC., through the first calendar quarter of 2003. Purchaser will subsequently assume Seller's Illinois operation in their entirety and will then serve and bill Seller's subscribers under the rates, terms and conditions of Purchaser's Commission approved tariffs which are generally at or below those of Seller's current tariffed rates. Seller does not collect subscriber deposits, therefore this transaction will involve no refund or disposition of subscriber deposits. Purchaser does not intend to invoke deposit or advance payment requirements upon Seller's

subscribers. Seller's subscribers have been notified of Purchaser's acquisition of Seller in writing by direct mail.

6. Financial Impact. The purchase price to be paid by Purchaser to Seller will be funded from Purchaser's existing capital. No additional funding will be required by Purchaser as the result of Purchaser's acquisition of Seller or will Purchaser's financial ability to serve its existing subscribers nor those of the Seller in anyway be affected as the result of Seller's acquisition.

7. Public Interest Served. Purchaser's proposed acquisition of Seller described herein is fully in the public interest and should be approved. Seller has had a successful record of serving Illinois subscribers for well over one year. Purchaser has similarly established its long standing reputation as a premier service provider in the State of Illinois for a period of over one year. Purchaser has grown rapidly and expanded its operation nationwide. Purchaser's strong financial and organizational standing coupled with its significant volume service procurement agreements with underlying carriers enable Purchaser to provide Seller's subscribers with comprehensive, cost effective long distance service. In many instances, Seller's subscribers will benefit from services better suited for their individual needs and priced competitively with Seller's existing services. And, unless otherwise requested or necessitated by operational considerations, Seller's subscribers will continue to receive those network services of the subscriber's existing underlying carrier, thus making the transfer of Seller's services to Purchaser essentially transparent to subscribers. As Purchaser and Seller utilize largely the same underlying carrier network services, the high level of service quality and reliability currently enjoyed by Seller's subscribers will remain unaffected. There will be no impairment or interruption of service to

Illinois subscribers as a result of Purchaser's acquisition of Seller. The majority of Seller's employees will be employed and retain by Purchaser to assist in the smooth transition and subsequent management of subscriber accounts.

8. Commission Approval Sought. The instant Application is a noncontroversial matter pertaining to a purchase agreement between *purely competitive, non-dominant interexchange carriers*. The parties request, therefore, that this Application be acted upon expeditiously by the Commission and that the Commission make its order effective with the date of its issuance.

9. Miscellaneous. Seller seeks cancellation of its certificate and tariff at such time that it ceases serve its subscribers, likely at the end of first quarter 2003. Seller will formally request such cancellation from the Commission at that time, pursuant to Commission approval of the instant Application.

WHEREFORE, Seller and Purchaser respectfully request that the Commission issue its Order and Decision that:

1. Seller may convey and Purchaser to acquire, Seller's name, customer base and other assets in the State of Illinois as described herein;
2. Upon final conveyance of such assets to Purchaser, Seller may withdraw from the resale of telecommunications services in the State of Illinois;
3. The date of the granting of this Application be made effective on the date of the Commission's Decision; and
4. The Commission grant such other relief as it deems necessary.

Respectfully submitted this 3 day of May, 2004.

GLOBAL TELDATA, INC.

By: Mark Lieberman

Mark Lieberman

President and CEO

4646 N. Ravenswood

Chicago, IL 60640

-and-

GLOBAL TELDATA II, LLC.

By: Mark Lieberman

Mark Lieberman

President and CEO

4646 N. Ravenswood

Chicago, IL 60640

VERIFICATION

State of Illinois)
County of Cook)

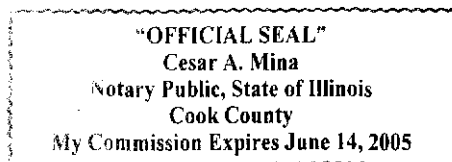
BEFORE ME, the undersigned authority, on this day personally appeared Mark Lieberman, who after being duly sworn, on oath deposed and stated:

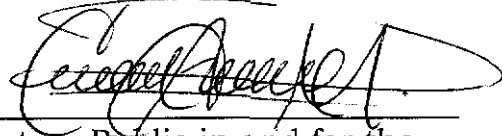
"My name is Mark Lieberman. I am a natural person above the age of eighteen (18) years. I am President and Chief Executive Officer of Seller, GLOBAL TELDATA, INC. named in the foregoing instruments and I am authorized to make this verification on its behalf. The statements in the foregoing instrument are true of my knowledge, expect as to the matters which are herein stated on information and belief, and as to those matters, I believe them to be true. I declare under penalty of perjury that the foregoing is true and correct.



Mark Lieberman

SUBSCRIBED AND SWORN to before me on this 3rd day of May, 2004.





Notary Public in and for the
State of Illinois

My Commission expires: JUNE 14th 2005
Printed Name: CESAR A. MINA

VERIFICATION

State of Illinois)
County of Cook)

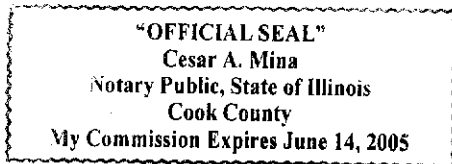
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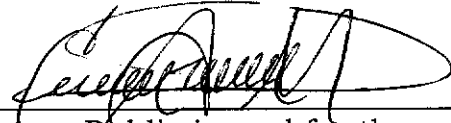
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